Bill No.	13-07				
Concerning:	Moderately	Priced	Dwe	lling	
Units - A	mendments				
Revised: 6	-22-07	_ Draft	No.	2	
Introduced:	June 26, 2	2007			
Expires:	Decembe	r 26, 20	80		
Enacted:					
Executive: _					
Effective:					
Sunset Date:	None				
Ch, Laws of Mont. Co					

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

By: Councilmember Leventhal

#### AN ACT to:

- (1) allow the Director of the Department of Housing and Community Affairs to set aside certain specially equipped moderately priced dwelling units for eligible disabled persons;
- (2) repeal the authority of the Director to allow an applicant to pay into the Housing Initiative Fund instead of building some or all of the required moderately priced dwelling units in a proposed subdivision; and
- (3) generally amend County law governing the moderately priced dwelling unit program.

#### By amending

Montgomery County Code Chapter 25A, Housing, Moderately Priced Sections 25A-4 and 25A-5

By repealing Section 25A-5A

Boldface
Underlining
Added to existing law by original bill.

[Single boldface brackets]
Double underlining
Added by amendment.

[[Double boldface brackets]]

\* \* \*

Heading or defined term.

Added to existing law by original bill.

Added by amendment.

Deleted from existing law or the bill by amendment.

Existing law unaffected by bill.

The County Council for Montgomery County, Maryland approves the following Act:

# Sec. 1. Sections 25A-4 and 25A-5 are amended and Section 25A-5A is repealed as follows:

### 25A-4. Income and eligibility standards.

(a) The County Executive must set and annually revise standards of eligibility for the MPDU program by regulation. These standards must specify moderate-income levels for varying sizes of households which will qualify a person or household to buy or rent an MPDU. The Executive must set different income eligibility standards for buyers and renters. The Executive may set different income eligibility standards for buyers and renters of higher-cost or age-restricted housing, as defined by regulation. The regulations may also allow the Director to set aside certain units for eligible persons with disabilities if the units are specially equipped for occupancy by disabled persons.

14 \* \* \*

## 25A-5. Requirement to build MPDU's; agreements.

16 \* \* \*

(e) The Director may approve an MPDU agreement that[:]

- [(1) allows an applicant to reduce the number of MPDUs in a subdivision only if the agreement meets all requirements of Section 25A-5A; or]
- [(2)] allows an applicant to build the MPDUs at another location only if the agreement meets all requirements of Section 25A-5B.

23 \* \* \*

(m) Nothing in this Chapter prohibits an applicant from voluntarily building MPDUs, as calculated under subsection (c), in a development with fewer than 20 dwelling units at one location, and in so doing from qualifying for an optional method of development under Chapter 59. A

development with fewer than 20 dwelling units where an applicant voluntarily builds MPDUs must comply with any procedures and development standards that apply to a larger development under this Chapter and Chapter 59. Sections [25A-5A,] 25A-5B[,] and 25A-6(b) do not apply to an applicant who voluntarily builds MPDU's under this subsection and in so doing qualifies for an optional method of development.

### [25A-5A. Alternative payment agreement.

(a) The Director may approve an MPDU agreement that allows an applicant, instead of building some or all of the required number of MPDUs in the proposed subdivision, to pay to the Housing Initiative Fund an amount computed under subsection (b), only if an Alternative Review Committee composed of the Director, the Commission's Executive Director, and the Director of Park and Planning, or their respective designees, by majority vote finds that:

#### (1) either:

- (A) an indivisible package of services and facilities available to all residents of the proposed subdivision would cost MPDU buyers so much that it is likely to make the MPDUs effectively unaffordable by eligible buyers; or
- (B) environmental constraints at a particular site would render the building of all required MPDUs at that site economically infeasible; and
- (2) the public benefit of additional affordable housing outweighs the value of locating MPDUs in each subdivision throughout the County, and accepting the payment will further the objective of providing a broad range of housing opportunities throughout the

		County.		
	(b)	Any payment to the Housing Initia	tive Fund under this Section must	
		equal or exceed 125% of the impu	uted cost of land for each unbuilt	
		MPDU. Except as further defined by	y Executive regulation, the imputed	
		land cost must be calculated as 10%	(for high-rise units) or up to 30%	
		(for all other housing units) of the	actual sale price charged for each	
		substituted unit. If the substituted un	nit will be a rental unit, the Director	
		must calculate an imputed sale price	under applicable regulations, based	
		on the rent actually charged.		
(c) Any payment to the Housing Initiative Fund under this Section may				
		used only to buy or build more MI	PDUs in the same planning policy	
		area (as defined in the County Grov	wth Policy) as the development for	
		which the payment was made, and	d must not be used to reduce the	
		annual County payment to the Fund.		
(d)		Any subdivision for which a payment is made under this Section is not		
		eligible for any density bonus for w	hich it would otherwise be eligible	
		under Chapter 59.]		
App	roved:			
Marilyn J. Praisner, President, County Council		aisner, President, County Council	Date	
App	roved:			
Isiah Leggett, County Executive		County Executive	Date	
This	is a corr	ect copy of Council action.		
Line	la M. Lau	er Clerk of the Council	Date	
Linda M. Lauer, Clerk of the Council		or, clork of the Council	Date	